

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

April 17, 2002 LB 957, 968

amendments to LB 957. All in favor say aye. Opposed nay. They are adopted.

CLERK: Mr. President, Senator Landis would move to amend, AM3481. (Legislative Journal page 1431.)

SENATOR CUDABACK: Senator Landis, you're recognized to open on AM3481 to LB 957.

SENATOR LANDIS: Thank you, Mr. Speaker and members of the Legislature. LB 968...well, this bill, LB 957, which is the department's clean-up bill, as I recall, is being asked to be the staging area for three ideas: two of them have come out of the committee unanimously; one of them is what was formerly LB 968, advanced 8 to 0 from the Banking Committee. And basically it allows that bonds issued by the Board of Regents of the University of Nebraska, or by the Board of Trustees of the Nebraska State Colleges, may be issued without being redeemable at the option of the issuer within five years from the date of issuance. Normally that's the standard rule, that they have to be redeemable within five years. The difficulty of a redeemable bond is that you can't get as good an interest rate. You'll pay a higher interest rate on the bond if they are callable. If you forego them being callable, you can get a better rate. In the best estimate for bonds that...that were reviewed before the...the committee, I think we found that there could be a savings in the terms of hundreds of thousands of dollars on a bond with the adoption of this amendment, and for that reason all eight members of the Revenue...of the Banking Committee advanced the bill. I ask that it be adopted as an amendment to LB 957. Again, it allows state colleges and the university to issue noncallable bonds for up to five years in length, for the purpose of lowering the interest rate that we will ultimately pay, and saving, for ourselves, interests...interest costs in the amount of, at a minimum, hundreds of thousands of dollars on a bond, if this bill...or this amendment is adopted to LB 957. I ask for its adoption.

SENATOR CUDABACK: Thank you, Senator Landis. You've heard the opening on AM3481 by Senator Landis. Open for discussion on that amendment. Senator Landis, there are no lights on wishing